



Practical experiences with MSC CoC auditing

Certification and ensuring that certified companies keep living up to requirements.

Guro Meldre Pedersen
20 January 2011

Agenda

1. DNV – certification body
2. Verification of sustainability claims through certification
3. The MSC CoC certification process
4. DNV experiences with MSC CoC certification



DNV - a certification body (CB)

- Vision: Global impact for a safe and sustainable future
- Purpose: Safeguarding life, property and the environment
- DNV
 - Independent foundation established in 1864
 - Food and beverage: Help producers and operators manage risks in their own operations and along the supply chain
 - Certification
 - Assessment
 - Training
 - Consultancy services
 - Seafood commitment; trusted partner for safe and sustainable seafood
 - Fisheries
 - Aquaculture
 - Processing
 - Feed



Highly skilled people across the world



Top 3

DNV is among the world's top three certification companies

70,000

More than 70,000 management system certificates under more than 80 accreditations

5,000

More than 5,000 food companies certified by DNV

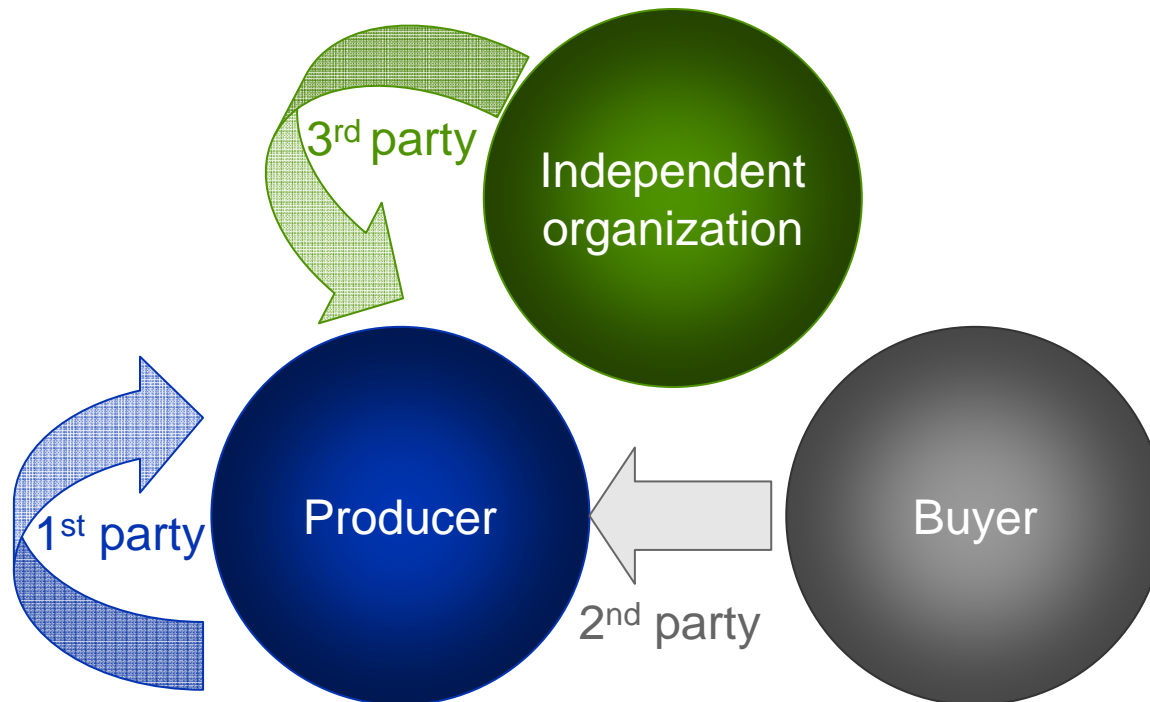
How can certification provide verification of sustainability claims?



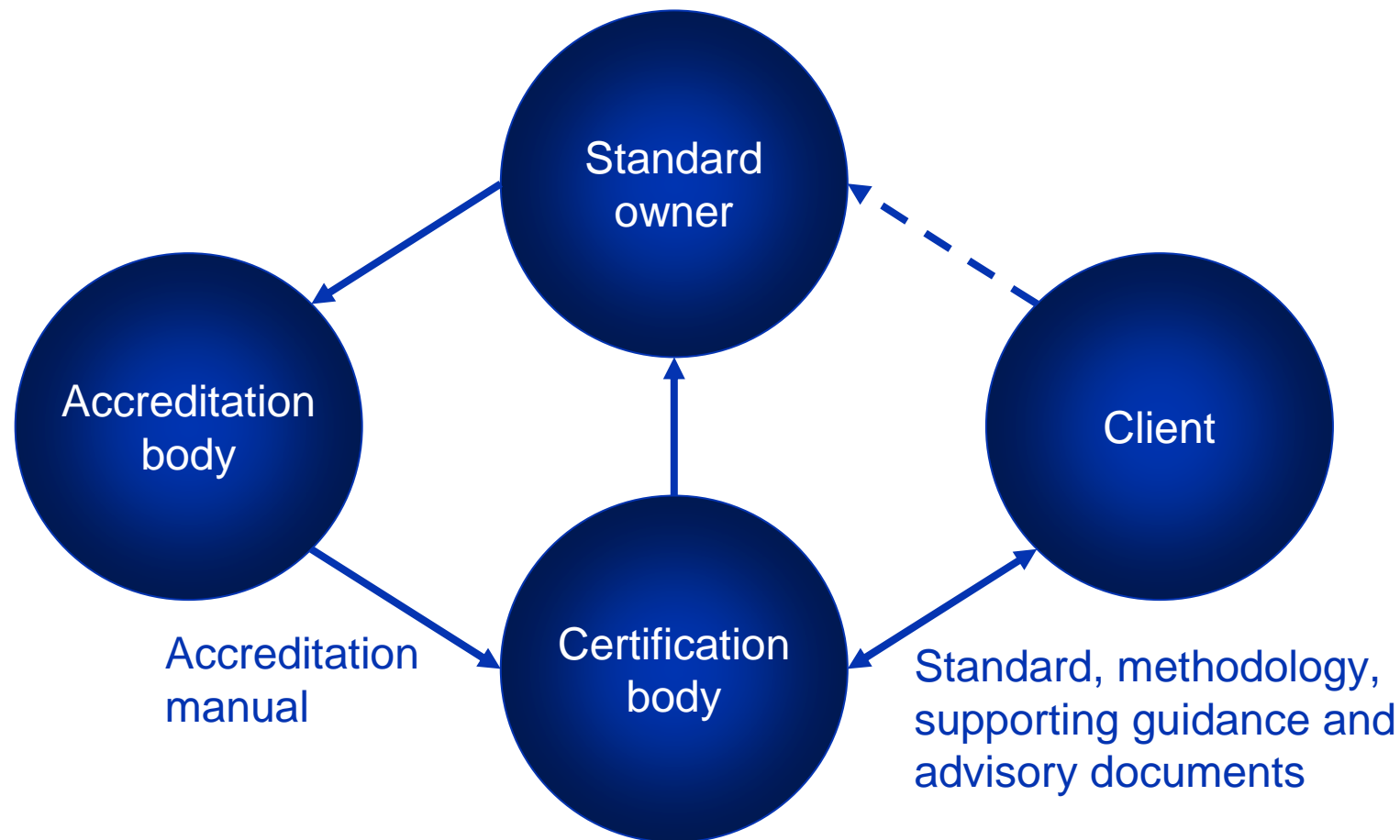
3rd party certification

The MSC operates a 3rd party certification program.

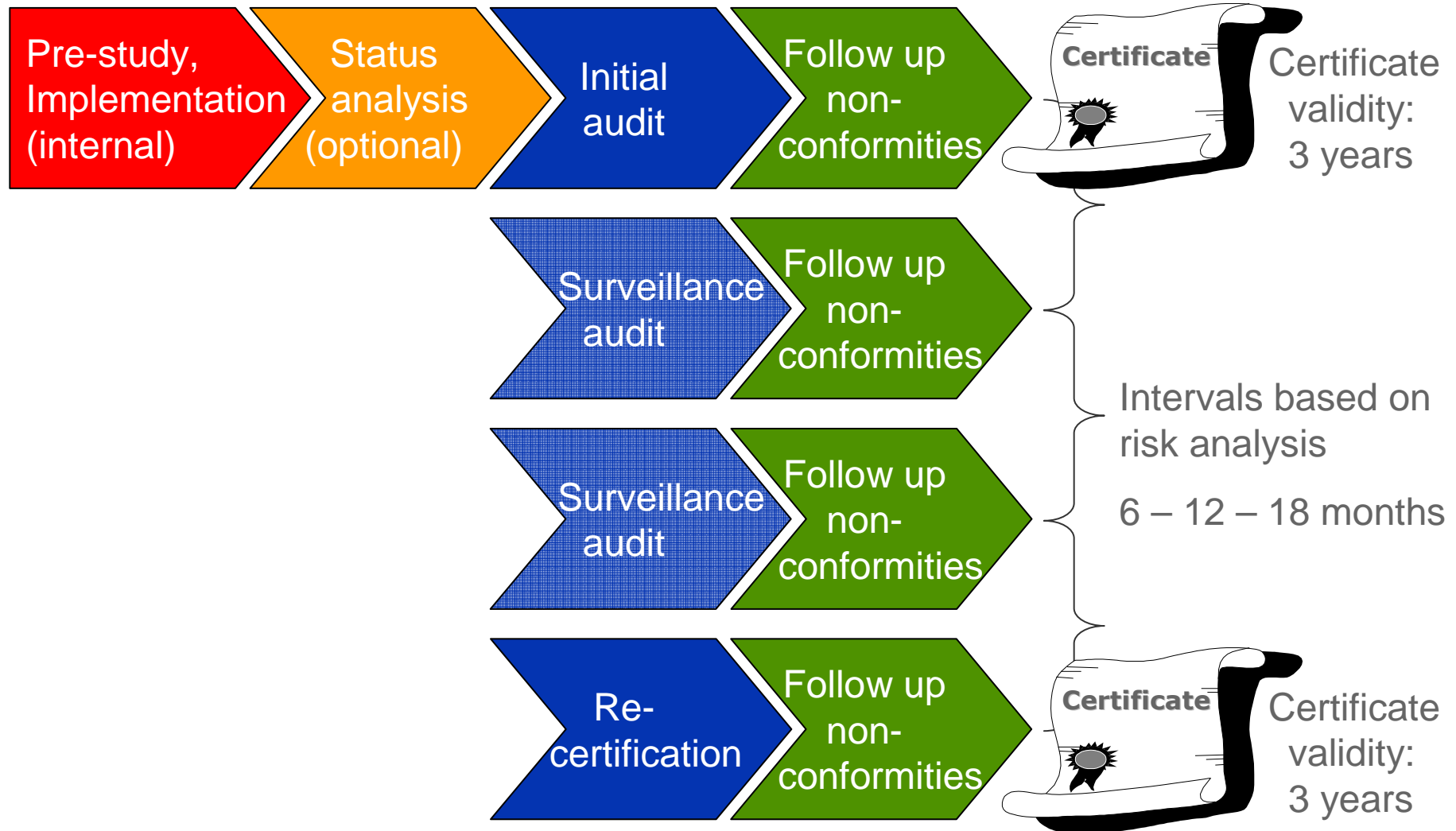
- Assessment conducted by an independent organization
 - Standards established by experts in consultation with stakeholders.
- The highest level of assurance and means the outcome is unbiased.



Roles and responsibilities – accredited 3rd party certification



The MSC CoC certification process – keep living up to requirements!



Risk analysis – frequency of surveillance audits

Risk factor	Max score
1. Activity: Trading, transport, storage, wholesale, harvest, packing, processing, retail..	20
2. Handling of products: Ownership, use of subcontractors	8
3. Species handled: Simultaneous handling of certified / non-certified species.	8
4. Other credible 3rd party traceability requiring standard certifications held by company for the last 12 months	4
5. Company's performance at last MSC CoC audit <ul style="list-style-type: none"> • ≥ 1 major non-conformance found (or certification suspended last 12 months) → Enhanced • # minor non-conformances found 	8
6. Information from other audits and regulatory bodies <ul style="list-style-type: none"> • Prosecuted for failure to meet regulatory requirements → Enhanced • Major non-conformances other standards / regulations 	7
7. Number of staff involved in applying label or making label application decisions	3
8. Country of operation ranking on Transparency International's latest corruption perception index	28

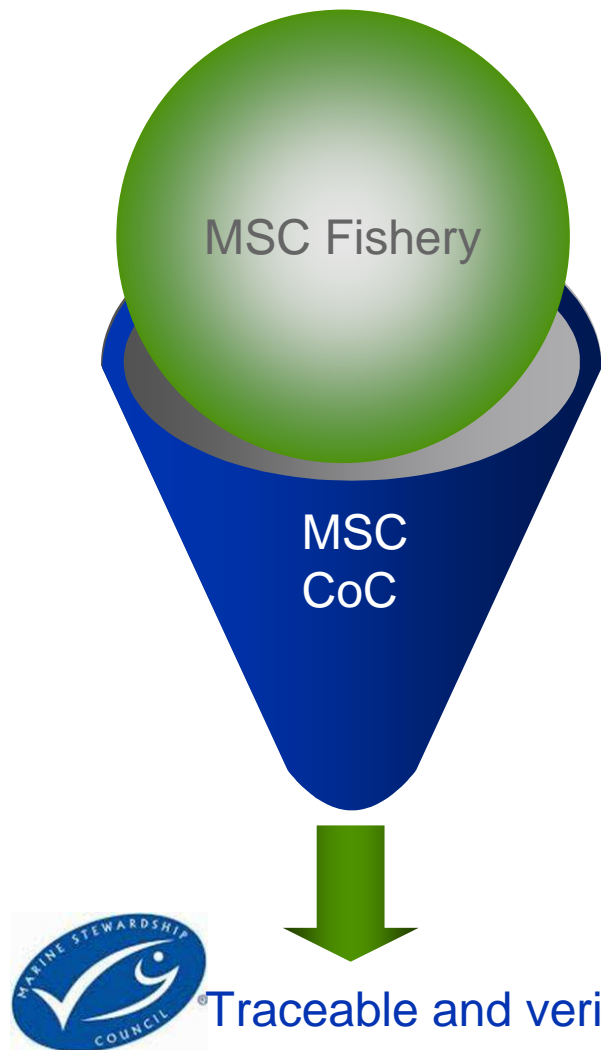
Risk analysis – frequency of surveillance audits

Risk assessment score	Frequency of surveillance audit
≥ 50	Enhanced surveillance (onsite each 6 months)
30 – 55	Standard surveillance (onsite each 12 months)
16 – 35	Reduced surveillance (onsite each 10-18 months)
≤ 15	Remote reduced surveillance (desktop each 10-18 months)

Overlapping ranges: Where this occurs (i.e. a score of 30-35 or 50-55) CBs shall make the decision on which surveillance type to use, and shall record their reasons for the decision.



DNV experiences – MSC CoC certification



MSC CoC purpose:

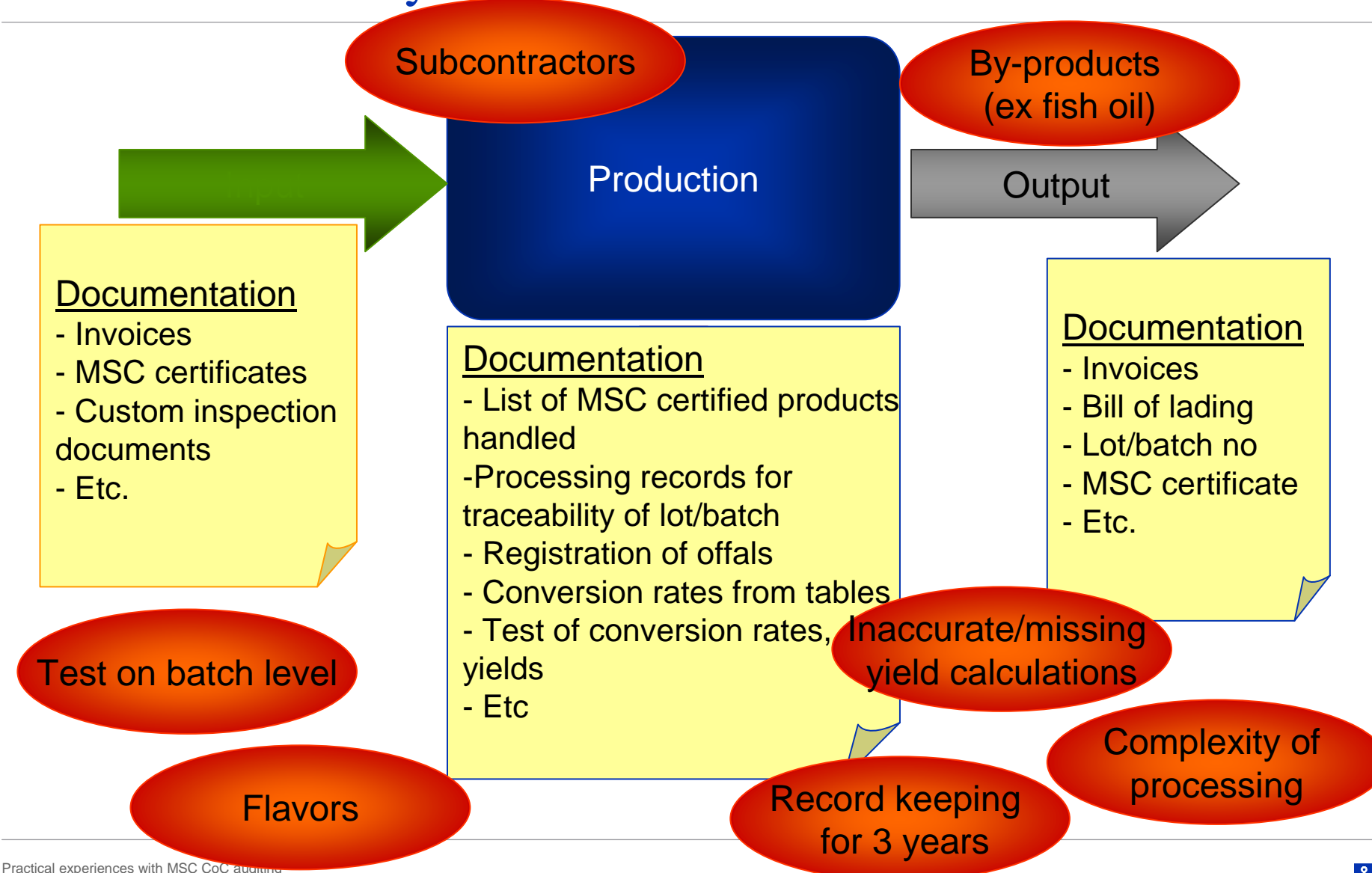
Make sure that the MSC eco-label is only displayed on seafood from an MSC certified sustainable fishery.

How:

- MSC and non-MSC products are separated in time or space.
- Clear administration that allows mass balance calculations of MSC product through supply chain

Traceable and verifiable information supporting sustainability claims

Test of traceability system and mass balance on batch level



INPUTS – examples of shortcomings



- Documentation that inputs are from certified fishery
- Documentation of *specific* certified fishery the input originates from.
 - Not just “MSC certified herring” but *which* MSC certified herring fishery
- Documentation of supplier MSC Fishery or CoC certificate
- Routines for verification of supplier MSC certificate validity
- Batch identification
 - Each batch must be traceable back to specific MSC certified fishery

PRODUCTION – examples of shortcomings



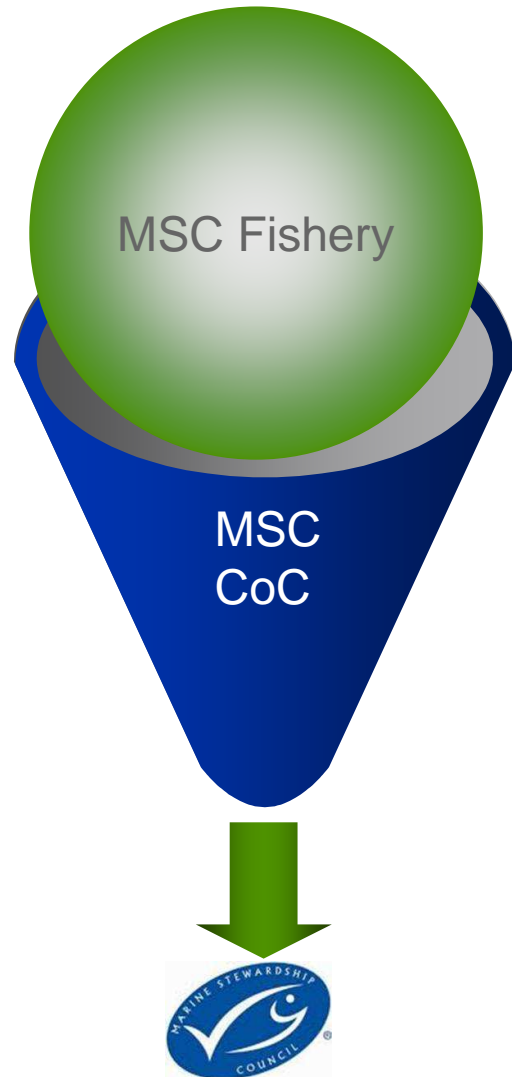
- Identification of each batch
 - Traceability back to supplier / MSC certificate
 - Basis for mass balance on batch level
- Documentation of control of subcontractors
 - Including cold stores, sub-processors etc.; responsible for maintaining traceability and meeting standard requirements
- Separation of MSC and non-MSC products in time or space, marking: ok

OUTPUT – examples of shortcomings



- Routines for and actual inclusion of MSC certificate number in sales documents (invoices, bills of lading etc.)
- Confusion concerning which certificate number to use; supplier or own
- Shortcomings in system for identification of outputs
 - Documentation: Label including lot/batch number, MSC CoC certificate number

Conclusion



The traceability system is often in place

- Regulatory requirements
- Requirements in food safety standards

→ Secure incorporation of verifiable / verified *MSC specific* data of correct granularity into existing systems.

Safeguarding life, property and the environment

guro.meldre.pedersen@dnv.com

www.dnv.com



MANAGING RISK